

ORIGINAL

Decision No. 45521

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOUIS M. FREGI, an individual doing)
business as SHORELINE AIRPORT SERVICE,)
to sell and GUIDO SIMONINI, an individ-)
ual doing business as the YELLOW CAB)
TAXI COMPANY, to purchase a certificate)
of public convenience and necessity)
authorizing said LOUIS M. FREGI to carry)
passengers for hire and to carry air)
express parcels.)
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Application No. 32245

O P I N I O N

An order is sought herein authorizing Louis M. Fregi, who is providing a service for the transportation of air line passengers between Fort Bragg and Little River and intermediate points, on the one hand, and Little River Airport, on the other hand, pursuant to Decision No. 42151, dated October 26, 1948, in Application No. 29530, to sell such operative rights, exclusive of all equipment and supplies, to Guido Simonini.

Applicant Fregi alleges that he is in acute financial difficulty, must seek other employment, and can no longer continue to render service.

A copy of a contract of sale dated February 27, 1951, marked Exhibit "A" is attached to the application and provides that the seller is to transfer the above mentioned operative rights to the buyer for the sum of \$1.00.

Applicant Simonini alleges that he is presently engaged in conducting a taxicab business under the name of Yellow Cab Company in Fort Bragg and is in a financial position to enlarge his service to include the territory described above.

We find that the public interest will not be adversely affected by approval of the transfer of the operative rights here involved. The application will be granted, and so that the public will not be unduly inconvenienced, the order will be made effective immediately. In taking this action, we are making no finding of the value of such operative rights. A public hearing is not necessary.

Guido Simonini, doing business as the Yellow Cab Taxi Company, is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate-fixing, for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route or particular routes. This monopoly feature may be changed or destroyed at any time by the State, which is not, in any respect, limited to the number of rights which may be given.

The action taken herein shall not be construed to be a finding of value of the property herein authorized to be transferred.

O R D E R

An application having been filed and the Commission being of the opinion that the authority requested should be granted,

IT IS ORDERED:

(1) That Louis M. Fregi, after the effective date hereof and on or before April 30, 1951, may sell and transfer to Guido Simonini, the operative rights referred to herein and the latter may acquire and thereafter operate the same, such sale and transfer to be made in accordance with the terms of the contract attached to the application as Exhibit "A".

